GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5346
ANSWERED ON:29.04.2005
MERGER OF IFCI
Badi Shri Rajendra Kumar

Will the Minister of FINANCE be pleased to state:

(a) whether Government have received representations from Industrial Finance Corporation of India Officers Association requesting for merger of IFCI with IDBI instead of Punjab National Bank;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMAN1CKAM):

(a) and (b) Yes, Sir. Government have received representations from Industrial Finance Corporation of India Officers Association requesting for merger of IFCI with IDBI instead of Punjab National Bank.

(c) IFCI is a company under the Companies Act, 56 with no direct shareholding of the Government has also become a company with effect from tober 1, 2004. As such, the merger of two or more stitutions would have to be considered first by their pective Boards keeping in view the benefits and tergies of such a proposal.